

off the record

SUMMARY OF REMARKS
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TO THE
ANNUAL UNIVERSITY OF PRESIDENTS,
YOUNG PRESIDENTS' ORGANIZATION
SAN JUAN, PUERTO RICO
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It's a pleasure for me to meet with so many of the members of the Young Presidents' Organization.

Your decision to hold your Annual University, as you call it, in such pleasant surroundings testifies to your good judgment. The program of work you have outlined testifies to your energy and industry.

I know many of your members and have a good idea of the purposes and accomplishments of your organization.

Change is in the air. Revolutions are in progress and in the making. On you will fall a share of the responsibility for helping to determine whether these revolutions are channelled into the way of life of the free world or, on the contrary, are exploited by the communists in their drive for world domination.

It is against this backdrop that I speak to you today.

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17 April 1961

There is no reason for us to face the future with pessimism. The free world is strong. This applies particularly to the Western world so largely represented by the NATO alliance.

If you take a balance sheet of the assets of the free world in economic development, in resources, in output of goods and services, in overall research both civilian and military, and contrast it with that of the USSR, it can clearly be demonstrated that we have great advantages. This is true even if we add to their strength that of Communist China and of their unhappy and unwilling satellites in Eastern Europe.

If at times and in places we seem to be on the defensive, it is generally because of failure to achieve coordinated application of the very real strength of the Free World alliances or because of very skillful exploitation of propaganda opportunities as we have so recently seen.

I think it is worth the time to expand on this. For example, Western Europe is booming industrially beyond anything one could have imagined some 15 years ago. Unfortunately at times some Europeans, preoccupied with problems closer to home, seem to act on the premise that the battle lies primarily between the Soviets and the United States rather than between a world of freedom and a world of regimentation.

Let us look for a moment at the statistics of this situation.

Western Europe and the United States include a population of over 450 million highly industrialized, highly competent people. The gross

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national product, and the industrial production of this area are over twice that of the entire communist bloc. With a few exceptions we lead in the technological field. There is no comparison between the standards of living in the Western world and that of the Bloc. Wherever the two societies stand side by side, the contrast, of which West Berlin is a good example, is overwhelmingly in favor of our Western civilization.

It is true that in population the Communist Bloc, including as it does the millions of mainland China, greatly exceeds that of Western Europe and the USA. Large populations, however, can well be a detriment rather than an advantage. This is particularly true when the agriculture situation is as unsatisfactory as it is in China. Here the regime is faced with problems they have so far been unable to solve. These appear to be growing rather than receding.

And in the USSR, more than 50,000,000 farm workers fail to produce as much food as do some 7,000,000 farmers in the USA.

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As the two types of civilizations face each other, we see that the top control in both the Soviet Union and China is still in the hands of old revolutionary leaders, Khrushchev and Mao Tse Tung. Also the communist leaders in the free countries having the largest communist parties, Italy and France for example, also have their roots in the

communist revolution of 40 years ago.

They too are facing a new kind of world. They are divided amongst themselves as to the tactics to follow in achieving their revolutionary aims. Should they attack with the methods, born of the communist revolution of November 1917, with the same aggressive fervor and brutality, as is advocated by the Chinese high command? Or should they rely upon the less dramatic but still highly effective penetration techniques which Khrushchev believes to be best adapted to the winning of the great uncommitted areas of the world?

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As we face the future there seem to me to be four dimensions to our peril -- first, political; second, military; third, economic; and finally, subversive.

On the political front, we face a worldwide movement, under international communist direction, with features which seem particularly to attract the less developed countries. Here, by and large, there is little understanding of Marxist theory but considerable appeal in the example which the Soviet Union seems to present to them.

In 1917 the Soviet Union was flat on its back, disrupted by war and defeat. In 40 years the Soviet Union has become the second greatest power in the world and one which boasts that in a decade or two it will be the first.

The Soviet leaders ascribe all this to Communism; and to many people, uninitiated in the history of the industrial revolution in the West, Communism seems to have been the driving force in the economic development of the USSR. Certainly, the Soviet Union has achieved great world prestige through its accomplishments over the last few decades.

Also certainly, the Communists have sold their political wares in a most effective manner. And once a state has bought the package, accepted the controls, the unsuspecting purchasers find that it is too late to return the merchandise even though they find it is damaged.

The present political credo of Communism, as often repeated by Khrushchev, is very simple. The Free enterprise capitalistic system of the "imperialist" powers, he says is the wave of the past; Communism the wave of the future. Communism will inherit the earth, they say.

The ambitions of the Kremlin leaders have no geographical limits such as there were in the time of the Csars. The take-over is to be a gradual but inevitable process. Country by country will succumb to it, beginning with the weaker and ending up with the United States. Our children or our grandchildren, Khrushchev says, will adopt the new system and like it without suffering the pangs of war. Just as capitalism replaced feudalism of the Middle Ages, so in this century, says Khrushchev, communism will replace capitalism.

On these political objectives and these goals there are no differences between Moscow and Peiping. They only differ on the means of accelerating the process. The Chinese believe this goal should be reached quickly even if it is necessary to use violence to do it. Moscow, fearing the consequences of a nuclear war, prefers the more subtle, even if less rapid, method of political penetration.

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So much for the political thrust we face from the Communists. I turn now to the military aspects of the problem.

We estimate that today the total annual military output of the Soviet Union corresponds roughly to our own. Obviously, it is hard to get a clear basis for comparison and what I mean by this equivalence of output, is this: -

That the total value of the Soviet military output -- military hardware, including weapons of all kinds, expenses on military construction other than on weapons, the number of troops compared on a man-to-man basis, all taken together, is roughly equivalent to our own. This does not, of course, mean equivalent monetary cost. Our standards of pay and, in general, our costs are higher.

This military outlay, the Soviets accomplish with an industrial production somewhat less than one-half of our own. This means,

of course, that they put a greater share of their industrial production into their military establishment than do we. This also means that they devote a smaller percentage of their industrial production to consumer goods. Consequently, their living standards are correspondingly lower.

Despite this massive Soviet military effort, there is no reason to estimate that their over-all military strength today exceeds ours. A good deal of loose talk about "gaps" is beside the point. It is generally applied to a particular weapons system not to our military posture as a whole. Of course, we must recognize that the Soviet has a well-rounded military establishment with a growing nuclear weapons delivery capability, considerable conventional military forces, and an elaborate system of defense against attack, particularly attack by manned bombers.

Despite Soviet military power, there is nothing in Soviet pronouncements today that leads us to believe that it is present Soviet policy to seek to achieve communist objectives by all-out military means. I do not necessarily take all they say on this point at face value, without supporting evidence, but we do have every reason to believe that the Soviet leaders have no interest in risking their own position and the survival of their regime in the gamble of an all-out nuclear war.

If we continue to maintain a strong military position -- and I am confident that such is our policy -- the Soviet Union for its part will, I believe, continue to avoid situations which involve a serious danger of all-out war.

Small wars are a different matter. The Soviets believe that, under appropriate conditions, revolutionary uprisings, and "wars of liberation" may be justifiable and proper. They will probably encourage such wars whenever they see a likely objective and think they can do so without becoming directly involved themselves. They are glad to see wars fought by proxy, with the armed forces of their lesser satellites like North Korea or North Vietnam, whenever they think that the risk of such wars expanding is not too great.

We must expect to face this kind of military situation from time to time, -- as, indeed, we are now facing it in Laos. It can be very difficult to deal with, for the Soviets are not likely to stir up small wars in places where we can easily bring superior force to bear.

Fortunately, the military problem seems to be well understood in this country. Clearly it is easier to get funds for military expenditures than it is to finance the areas of our non-military defense.

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This brings me to my third point; namely, the nature of the Soviet selective drive in the field of foreign economic assistance, including military assistance, to strategically located countries of the world outside the Bloc.

Because of the form of their aid programs it is hard to state in terms of dollars the amount of Soviet aid, as compared with our own. We would estimate that in the period January 1954 to January 1961 they have committed outside of the Bloc, the equivalent of approximately \$4.8 billions in grants and credits of which only a part has actually been delivered or drawn down. The United States has actually spent more than \$20 billion in the same period to cover its economic and military aid programs.

The Soviets have offered \$3.6 billion of the total Bloc aid. The Chinese Communists have offered \$226 million; European Satellites, \$991 million.

None of these figures for the Bloc includes aid extended as among other Communist countries.

Communist Bloc aid has gone to a selected group of countries. Here is the list of the 10 recipients receiving the largest credits over the last seven years with the amounts extended to each.

UAR - \$1.226 billion; Indonesia, \$1.015 billion; India, \$932 million; Iraq, \$404 million; Afghanistan, \$255 million; Cuba, \$215 million; Argentina, \$104 million; Guinea, \$108 million; Ethiopia, \$114 million; Ceylon, \$58 million.

The aid has gone in most cases to countries which the Soviets feel might be brought closer to the Soviet orbit of influence or might

be detached from reliance upon the free world. Increasingly, during recent years, they have been studying their prospects in the troubled scene of Africa and in this hemisphere. Cuba is an outstanding example which, in addition to the credits for economic aid, has actually received over \$50,000,000 in military hardware.

It is not easy to draw conclusions from statistics. It is clear, however, that a substantial program of foreign aid on our part is necessary, -- not merely to meet the Soviet competition, but, more importantly, to help build an economically viable and defensible link of free countries.

If we do not, many countries in the turbulent days ahead, as they emerge from colonial status, will not be able to protect their freedom from the blandishments of Communism. Others, as they face the revolutions of rising expectations of their people; the pressure for industrialization; the difficulties of land reform and like problems, will tend to fall a prey to the lure of Communism. Certainly Communist aid will not solve their problems, but many of these countries if they cannot hope for aid from the West, will tend to feel that they must accept aid from the Communists. They may say and hope that they can avoid the subversive trappings that come with such aid, but they are ill-equipped to contend with the Soviet and Chinese agents of subversion.

I mentioned four dimensions of our period. I have dealt briefly with three. The fourth is the danger to our way of life from the subversive penetration apparatus of international communism in its various forms.

This apparatus is unique in history. It is unique in its worldwide coverage, its single-purpose objective, and in its responsiveness to central control.

Its purpose is of course to bring about the worldwide expansion of communism until, as Khrushchev says, we will all be happy and contented to accept the communist form of life.

There are at least 87 recognized communist parties entitled to participate in the periodic reunions of worldwide communism which are held in Moscow.

A special Congress was held in Moscow last November to discuss the Sino-Soviet problems. Delegations from over 80 of these countries were present. The identities of the important attending delegates are well known to us.

While the ideological differences between Moscow and Peiping were the main topics of discussion at this meeting, there was ample opportunity for the various delegations, and for regional groupings of delegations, such as those from Latin America, to gain special guidance from the ruling Communist Party of the Soviet Union on the

tasks to be accomplished when they returned to their respective countries.

According to a recent Soviet statement, world communist membership is 36,000,000. Of these, approximately 31 million are in the communist orbit and approximately 5 million are in the free or uncommitted world, that is the world outside of the Bloc. This 5 million is only the hard core of organized party members. It does not include the many million others who vote the communist ticket or support the communist cause.

Practically every country in the world, outside as well as inside the Bloc, has a hard core communist organization. As you well know, many countries in the world also have well-organized communist parties. Some of these have a legal and recognized status; some are still underground. A great number of them, as I have mentioned, command at the polls, under one label or another, often omitting the term communist, very great voting strength.

The central communist apparatus in these many countries, like the leaders of an orchestra, can call upon many instruments to carry out the diverse tasks of the party.

There is the World Federation of Trade Unions, with branches in most countries of the world, to infiltrate and control local labor unions, and to promote strikes, and labor troubles, wherever a communist

objective is to be gained. The WFTU has its headquarters in Prague. Its Latin American subsidiary, the Confederation of Latin American Workers (CTAL) is located in Mexico City but is financed, supported, and directed by the WFTU.

Then there is the World Peace Council, the most broadly based of all communist front groups. It has been more successful than any other communist front organization in winning non-communist support. The noted French scientist, Professor Joliot Cure, was President of this organization until his recent death. The WPC engages in extensive publishing activities and holds regular conferences. It is a front for all kinds of Soviet propaganda. For example, it promoted the germ warfare charge against us in Korea.

A few days ago the WPC held a large, although I am glad to say quite an unsuccessful meeting, in Mexico City. Its principal purpose was to promote the spread of Castroism in this hemisphere.

There are a large series of other front organizations, the World Federation of Democratic Youth, the International Union of Students. A World Youth Festival has been held biannually since 1947. Its sixth festival in Moscow in 1957 we estimated cost the communists in the neighborhood of \$100,000,000. Its seventh festival in Vienna, which was less successful because it was held in a strongly anti-communist setting, is estimated to have cost \$30,000,000.

Then there is also the Women's International Democratic Federation, the World Federation of Teachers Union, the International Association of Democratic Lawyers, the International Organisation of Journalists, the World Federation of Scientific Workers, and the International Federation of Resistance Fighters which was well represented at a meeting held recently in Milan.

This list is far from being exhaustive. Wherever international communism finds a need to create, on a state, regional or world-wide basis a front organization to carry out its purpose, it does so.

Every activity of these organizations is carefully planned and directed to achieve a particular communist purpose. Its actions are tailored to the locale where the activity is carried out and the communist propaganda machine, radio and press, is tuned in to support the action.

The Free World has no comparable apparatus. We proceed on the theory that the blessings of freedom and of liberty are, or should be, so self-evident that they need no such missionary effort. Furthermore, the Free World is a grouping of free, independent states. No central organization or front group promotes activities on its behalf.

Nor have we been devoting ourselves to tearing down Communism in the Soviet Union. The general philosophy of the Free World seems

to be that if the people of the USSR really want this form of government, let them have it. While we do not believe that they have ever had any free choice, even so, many believe that it is up to them to reject their government; not for us to do it for them.

What we feel we have a right to reject and oppose is the export by force or by guile of their system and its imposition on us.

In the world of free speech and free institutions, there is a tendency to tolerate the existence of Communist parties, despite their advertised aims. In some free countries they are more than tolerated; they are pampered. In the Sino-Soviet Bloc, on the other hand, the Communists permit none to question their form of government, while outside the Bloc, they penetrate and abuse the freedoms granted by our institutions to tear down freedom itself and to substitute the Communist forms of control.

Moscow is the directing force of the overseas Communist Parties, with an assist here and there from Peiping. However, it is understood that when local parties, in their struggle for increasing power and influence, embarrass Soviet foreign policy, the Moscow leaders feel quite free to disavow them or to ignore them.

On the other hand, there are occasions when Moscow takes quite a different point of view and does not hesitate to incur the wrath of the government of a country by evidencing support for the local communists.

There was an example of that the other day when Mikhail Suslov, reputedly the Number-four man in the Kremlin hierarchy, ostentatiously paid a visit to an important country in the free world for the sole purpose of attending the Congress of the local Communist Party as the representative of the Soviet Communist Party.

Again this is just a matter of orchestration. They play the party line loud and clear, with plenty of trombones if circumstances warrant, or they may rely upon the harps and the flutes. All of this is well understood by the local party leaders. They are disciplined to expect it.

Lines of conduct are laid down at the Congresses of the Communist Party of the Soviet Union to which other Communist parties are invited. At such a Congress held in early 1959, the Soviet masters notified visiting delegates that certain new tactics would henceforth be in effect, particularly in Latin America. Communist leaders were ordered to stop emphasizing their links with the Soviet Communist Party as being the directing force for other Communist Parties in the world.

Special attention was directed to developments in Latin America, which the Communists called the "Imperialists' backyard." The Latin delegates were told to organize an anti-imperialist peoples' congress, to consolidate Communist influence in local trade unions, and to direct mass attention to attacking the "colossus" of the north.

A high Soviet Communist party official who gave the briefing concluded with this observation: "Recent events in Latin America reveal that it is possible to defeat imperialism on its own grounds. The USSR and the Soviet Communist Party pay great attention and attribute the highest importance to that fact."

So far, I have dealt largely with various aspects of the Communist threat to our way of life. In this I have emphasized particularly the subversive penetration techniques of the Communist system and the apparatus, covert and overt, which supports their activities.

I have not suggested a remedy. It is always easier to diagnose a disease than to prescribe a cure.

In this situation there is no easy answer. People in government have certain assigned functions. I am fortunate enough to have a job which is directly and immediately concerned with the Communist issue.

It is not a simple matter to outline the functions that could be taken over by private individuals or organizations as their share of the task.

Nevertheless, I am convinced that there is a great reservoir of strength - strength represented by human beings, as well as by material assets, which are available here in the U.S.A. outside of government to help meet the Communist peril. This meeting has given me great reassurance on this point.

I also recognize the sense of frustration that many individuals have, because there are so few readily identifiable vehicles of action in which each can play a part consistent with the carrying out of his own business or professional activities. This explains some of the crack-pot organizations which have plagued and tended to discredit the true crusaders in this field.

It is obvious that one of our first responsibilities is to gain as complete knowledge as possible of the nature of the Communist challenge, its techniques, and the means of action at its disposal.

In a talk I made to the Veterans of Foreign Wars some months ago, I stressed this point and suggested that our educational institutions should do more than they were doing to teach young Americans the scope and processes and dangers of the Communist drive to take over the world.

The response to this suggestion far exceeded my expectations. But here again I was asked to draw up a blue print of how this was to be done - which is well outside the scope of my duties.

I realize, however, that the educational approach alone will not be very satisfying to you who have the knowledge and are seeking ways of effective action.

Because of the strength of our free institutions, our high standards of living and of education, the threat in this country is far less than in

many other countries. The Communist Party, while existent here with a dangerous hard core of operators, is nevertheless hardly a menace. This is due in no small part to the effective work of the F.B.I. and our other law enforcement agencies.

Abroad in many countries the situation is different. You in your work will have diverse contacts in foreign countries where the danger is greater. Preachment by Americans as to how others should conduct themselves is not a very effective mode of action. However, there may be ways that you individually in your business connections and through contacts you may have abroad may be in a position, with discretion and understanding, to help others in the more exposed countries toward a better understanding of what Communism means and how to deal with it.

I am very much interested in the "task force" idea on which I understand you are already working, particularly in developing contacts in the newly emerging areas. In this way you can help to learn the needs of peoples abroad and to find how you through business contacts can help to meet them.

Here private American citizens and private institutions can often do more than government officials. You can do it on a more informal, less suspect basis.

I have been impressed with the technical efficiency of the Communist Bloc personnel who are sent abroad to assist foreign governments in development projects.

I am not impressed with what they have done, or been allowed to do, in trying to establish effective personal contact with peoples abroad.

You - as private citizens - and I and my associates in government - can do much more to make sure that we understand our mutual interests and that we together bring our best resources to bear on these problems which concern us all.

In times of crisis, we all unite. This is such a time. We cannot afford to lose.

You can make an invaluable contribution to our posture in the world arena. You can, on your own and especially in your enterprises overseas, convey the true image of our country particularly to the people of the underdeveloped areas.

We in government should do more than we are doing to help indicate ways and means of accomplishing this.

Let us pledge our mutual cooperation to advancing the best interests of our country in an effort to strengthen and extend freedom in the world.